GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

STARRED QUESTION NO:292
ANSWERED ON:13.12.2012
SALE OF UREA FOR NON AGRICULTURAL USAGE
Singh Shri Ratan

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) Whether the sale of urea for non-agricultural usage is allowed in the country:

(b) If so, the details thereof and the reasons therefor;

(c) Whether the availability of urea for agricultural purpose is being affected by its non-agricultural usage;

(d) If so, the steps taken/being taken by the government to address the issue?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION AND MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SRIKANT KUMAR JENA)

(a) to (d): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (A) TO (D) OF THE LOK SABHA STARRED QUESTION NO. 292 TO BE ANSWERED ON 13.12.2012 REGARDING SALE OF UREA FOR NON-AGRICULTURAL USAGE.

(a): Yes, Madam. The sale of urea for non-agricultural use is allowed by Department of Fertilizers, Government of India. However, no subsidy is allowed/given on urea used for non-agricultural purpose.

(b): The details of the companies allowed to import/ sell urea for industrial use during the year 2011-12 are given at Annexure I.

(c): No, the requirement of urea for industrial use is met by additional imports.

(d): Following steps have been taken by Government to address the issue of diversion of subsidized urea:-

(i) Permissions are given in a fair and transparent manner for import of urea for industrial use to the companies engaged in sales of urea for other than agricultural use.

(ii) State Governments are fully empowered under Fertilizer Control Order (FCO), 1985 to take preventive/punitive actions against the companies indulging in diversion of urea meant for agricultural use for industrial use.

(iii) Department of Fertilizers has, from time to time, written to Chief Secretaries and DGs of Police of States to activate the enforcement agencies under their jurisdiction against diversion of subsidized fertilizers. In addition, Department has also written to Ministry of Home Affairs for sensitizing the State Governments on this issue.

(iv) Department of Fertilizers, through weekly video conference with representatives of State Governments, has been sensitizing and advising the States for strict action against such offenders. Since urea import is canalized & domestic urea is controlled by Government, the genuine needs of industrial urea are essential to be met otherwise they will be forced to use urea meant for agriculture. Permissions to import and sell urea for industrial use are given to encourage industrial users to buy urea without subsidy so that Government subsidy can be saved.